

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: REAL PROPERTY TAX SERVICES

DATE: MAY 30, 2008

COMMITTEE MEMBERS PRESENT:

SUPERVISORS BELDEN
HASKELL
BENTLEY
THOMAS
MERLINO
GOODSPEED
STRAINER

OTHERS PRESENT:

MICHAEL SWAN, DIRECTOR, REAL PROPERTY TAX
SERVICES
FREDERICK MONROE, CHAIRMAN
JOANN MCKINSTRY, DEPUTY COMMISSIONER OF
ADMINISTRATIVE & FISCAL SERVICES
JOAN SADY, CLERK OF THE BOARD
SUPERVISOR CHAMPAGNE
SUPERVISOR SOKOL
SUPERVISOR TAYLOR
SARAH MCLENITHAN, LEGISLATIVE OFFICE SPECIALIST
CHARLENE DiRESTA, LEGISLATIVE OFFICE SPECIALIST

Mr. Belden called the meeting of the Real Property Tax Services Committee to order at 9:30 a.m.

Motion was made by Mr. Haskell, seconded by Mr. Merlino and carried unanimously to approve the minutes of the previous Committee meeting, subject to correction by the Clerk of the Board.

Privilege of the floor was extended to Michael Swan, Director of Real Property Tax Services, who distributed copies of his agenda to the Committee members; *a copy of the agenda is on file with the minutes.*

Mr. Swan noted that there were no corrections to the tax rolls from the Warren County Treasurer's Office this month.

Mr. Swan requested authorization for a contract with Northco to have the tax maps for the individual towns and the County bulk plotted, commencing June 20, 2008 and terminating June 19, 2009, for a total amount not to exceed \$7,000. He added that this was a yearly contract, five Requests for Proposals (RFP) had been sent out and he had received two responses. He said that Northco had been the lowest bidder, at \$1.14 per large sheet and \$.46 per half sheet.

Motion was made by Mr. Haskell, seconded by Mr. Bentley and carried unanimously to authorize a contract with Northco, as outlined above. *A copy of*

the resolution request form is on file with the minutes and the necessary resolution was authorized for the June 20, 2008 Board meeting.

Mr. Swan apprised that a memo that had been sent to the Department of Public Works (DPW) in March pertaining to Tax Parcel No. 53.-3-1 in the Town of Horicon, had been incorrectly listed as having an estimated value of \$22,000, when the actual estimated value should have been \$2,200. He said that a corrected memo would be sent to the DPW. In answer to a question concerning whether the corrected copy needed to be sent to DPW, Joan Sady, Clerk of the Board, responded that the memo could be sent to Paul Dusek, County Attorney, as well.

Mr. Swan notified the Committee that the person who had been interested in leasing the Mullen Property in the Town of Queensbury, was no longer interested and had leased a property in the Town of Saratoga. He apprised that he had contacted Jan Xman, who had previously purchased property from the County in the Town of Lake Luzerne. He added that Mr. Xman had viewed the property and was interested and had contacted Mr. Mullen concerning the property. He reported that the property had delinquent taxes in excess of \$130,000 and explained that if the property was sold, the taxes would have to be paid by the new owner.

Mr. Haskell asked the approximate value of the property, if it were clean of all contamination and Mr. Swan responded that it would be approximately \$250,000 to \$300,000. Mr. Swan reported that Mr. Mullen refused to allow anyone to test the property for possible contamination. Mr. Champagne advised that all of the old iron and machinery had been removed from the property. He suggested that the County move forward with the foreclosure of the property, which would put pressure on Mr. Mullen to pay the delinquent taxes.

Mr. Swan stated that representatives from the DPW had walked through the property last fall, with Mr. Mullen's permission, and had seen no visible signs of contamination. He said that his concern was that the property had been used as a foundry for approximately 40 years. He added that the chemicals used by foundries contained heavy metals and that the only means of disposal were floor drains in the building. Mr. Champagne asked if the County could access the property for testing after initiating the foreclosure proceedings and then still have the option to back out. Mr. Swan stated that Trish Nenninger, Second Assistant County Attorney, would schedule a meeting with the Department of Environmental Conservation (DEC) to discuss the Mullen property and three other properties in Warren County with possible contamination.

Chairman Monroe and Mr. Sokol entered the meeting at 9:37 a.m.

Mr. Swan apprised that the Committee had also decided to research the Brownsfield Grant Program which would allow them to begin foreclosure proceedings so they could test the property. Mr. Belden suggested that if Mr. Xman did not purchase the property, the County should begin foreclosure proceedings. Mr. Goodspeed stated that Mr. Dusek had informed the Committee that if they foreclosed on the property they would assume responsibility for the clean-up. Mr. Haskell stated that it was the DEC's responsibility to ensure the clean-up of contaminated properties. Mr. Thomas asked if the County could condemn the property to prevent Mr. Mullen from having use of it. Mr. Belden responded that he did not think it was possible until the County took title. Mr. Swan explained that Mr. Dusek had expressed concern about showing too much interest in the property, which could cause the County to become liable for some of the clean-up costs.

Mr. Thomas expounded that it was his understanding that if the Town had a Local Law pertaining to maintenance of the property and it needed to be cleaned-up, the Town could take care of the issue and attach the cost of doing so onto the tax bill.

Discussion ensued.

It was the consensus of the Committee to await a decision from the DEC pertaining to the contaminated properties and to discuss the issue further at the next meeting.

Mr. Swan reminded the Committee that at the last meeting they had discussed the possibility of the Real Property Tax Services Department entering the property transfers into the database for New York State at a rate of \$.50 for each sale. He advised that he was awaiting the software and hardware requirements from the State. He noted that last year the Department had approximately 4,000 transfers, which meant that the program had the potential of generating approximately \$2,000 per year in revenue. He added that the program would not require additional work hours from his staff.

Mr. Swan noted that the current contract with Maple Abstract to provide abstracts for the foreclosures would expire at the end of this year. He added that a new RFP would need to be prepared in 2009 for the 2010 abstracting.

Mr. Belden advised that he had viewed a list of County-owned property that was not being used. He suggested that the County review the properties and attempt to sell those properties that had no immediate use. Mr. Haskell advised that the

County had listed the property on Gurney Lane across from Westmount Health Facility for sale and the decision had been made not to sell the property. He added that the value of the property was \$1 million and he did not feel the County would ever need to use the property.

Mr. Taylor entered the meeting at 9:45 a.m.

Mr. Belden stated that the list had approximately 25 to 30 parcels that were not in use and he reiterated that the County should review the list and decide which parcels to sell. He added that if the properties were sold they would be put back on the tax rolls. Chairman Monroe said that he felt that there were County-owned properties that could be sold; however, he added, he believed the County should retain the property across from the Westmount Health Facility, as well as the property on the other side of the The Olde Trading Post Grill, for potential future expansion.

Discussion ensued.

Mr. Belden asked Mr. Swan to obtain a list of County-owned properties and distribute it to each of the Committee members. Chairman Monroe asked if a brief description of each property could be included with the list and Mr. Swan replied affirmatively. Mr. Swan noted that the County had reviewed the properties five to six years ago and noted that many of the properties that the County owned had been taken in foreclosure and had not sold at auction. He said that he could distribute the list to each Department to inquire if there was a need for the properties, prior to the next Committee meeting.

Mr. Swan expounded that in the next couple of weeks he would begin to post delinquent properties. He said that notices were sent to these properties and had been returned; therefore, he added, the County had no knowledge of whether the owners of the properties had been served notice of the delinquencies. He added that the next step was for him to attach a notice of foreclosure directly onto the property. He stated that there were 51 properties that he would need to post. Mr. Champagne asked if that number was high and Mr. Swan responded that it was typical. Chairman Monroe suggested that the list be provided to each Town Supervisor so that they could attempt to contact the owners.

Mr. Merlino asked if when a foreclosed property was sold at the County Land Auction, were there any stipulations that said the new owner had to repair and maintain the property and Mr. Swan replied in the negative. Mr. Merlino stated that there were a couple of properties in the Town of Lake Luzerne that had been obtained through the County Land Auction and the Town was having a difficult time with the new owners maintaining the properties.

Mr. Thomas explained that there was a property in the Town of Stony Creek that the County had possession of through the Treasurer's Office as part of an estate. He asked if that property could be sold at auction. Mr. Swan advised that the County Treasurer was acting as executor of the estate and was therefore responsible for disposition of the property.

Discussion ensued.

Mr. Swan stated that there were approximately 200 unpaid properties on the list which was higher than usual. He noted that the last day to redeem would be July 18, 2008. He said that the Town Supervisors would be sent a list of all the unpaid properties in their Towns in mid-June. Mr. Champagne asked if the Sheriff's Office was used to serve the notices of foreclosure and Mr. Swan replied that they had not used the Sheriff's Office in about six or seven years. Mr. Champagne asked why the Sheriff's Office was not used and Mr. Haskell responded that the previous Sheriff would not allow the patrol officers to serve the foreclosure notices and had the civil officers do it.

Mr. Goodspeed stated that there was an increase in the number of foreclosures this year and added that gas and food prices were also increasing. He said that if the economic situation continued, the County would have to decide how they would react to hard working people who were unable to pay their taxes. He apprised that in the current economy the County would have to be more willing to work with the landowners than in previous years. He explained that in the Town of Johnsburg, the requests for emergency food, fuel money and shelter were up by 20% to 30%.

Mr. Swan stated that the number of properties foreclosed on in Warren County was far below the amount of other neighboring Counties. Mr. Belden explained for the benefit of the newest members of the Committee, that they would meet with landowners and do their best to help them avoid foreclosure.

Mr. Bentley asked about the possibility of payment plans for the current tax bills and Mr. Swan responded that the idea had been discussed previously but had never come to fruition. Chairman Monroe expounded that the current law stated that taxpayers had to pay the current year's taxes prior to paying any delinquent taxes. He said that this law forced more landowners into a foreclosure situation. He suggested that the County work more closely with the Adirondack Community Housing Trust (ACHT) which helped homeowners stay in their homes by purchasing the land.

Mr. Haskell stated that the Committee had previously referred the issue of having the law changed so that landowners could pay off the oldest taxes first to the

Legislative Committee. He said that it was possible for a landowner to have their 2008 taxes paid and still lose their home due to older delinquent taxes. Chairman Monroe apprised that the current law came out of Long Island, where they were having an issue with landowners paying the oldest taxes to avoid foreclosure, yet never catching up with the full tax bill.

Motion was made by Mr. Haskell, seconded by Mr. Goodspeed and carried unanimously to refer the issue of changing the law to allow homeowners to pay the oldest tax bills first, back to the Legislative Committee.

Chairman Monroe suggested asking the ACHT to produce a document that could be distributed to landowners in danger of foreclosure to explain how they could help them stay in their homes. Mr. Haskell suggested that a representative from the ACHT come to a Board meeting to explain their function to the Supervisors.

Mr. Swan noted that he would be requesting permission to attend the summer Real Property Director's Conference next month when he had more information on the costs.

As there was no further business to come before the Real Property Tax Services Committee, on motion made by Mr. Haskell and seconded by Mr. Goodspeed, Mr. Belden adjourned the meeting at 10:00 a.m.

Respectfully submitted,

Charlene DiResta, Legislative Office Specialist